AMENDED IN SENATE APRIL 18, 2005 AMENDED IN SENATE APRIL 13, 2005 AMENDED IN SENATE APRIL 4, 2005

SENATE BILL

No. 1059

Introduced by Senators Escutia and Morrow

February 22, 2005

An act to add Chapter 4.3 (commencing with Section 25330) to Division 15 of the Public Resources Code, relating to electricity transmission.

LEGISLATIVE COUNSEL'S DIGEST

SB 1059, as amended, Escutia. Electric transmission corridors.

(1) Existing law requires the State Energy Resources Conservation and Development Commission to adopt a strategic plan for the state's electric transmission grid using existing resources. Existing law requires that the plan identify and recommend actions required to implement investments needed to ensure reliability, relieve congestion, and to meet future growth in load and generation, including, but not limited to, renewable resources, energy efficiency, and other demand reduction measures.

This bill would authorize the commission to designate a transmission corridor zone on its own motion or by application of a person who plans to construct a high-voltage electric transmission line within the state. The bill would provide that the designation of a transmission corridor shall serve to identify a feasible corridor in which can be built a future transmission line that is consistent with the state's needs and objectives as set forth in the strategic plan adopted by the commission.

SB 1059 -2-

The bill would prescribe procedures for the designation of a transmission corridor that would include:

- (a) Publication, including publication of the request for designation and request for comments.
- (b) Coordination, coordination with federal agencies and California Native American governments:
 - (e) Informational and adjudicatory, informational hearings.
 - (d) Requirements, and requirements for a proposed decision.

The bill would require each city and county in which a designated corridor is located to take all actions necessary to integrate the designated transmission corridor zone in their respective general and specific plans, thereby creating a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
- 3 SECTION 1. The Legislature finds and declares all of the 4 following:
- 5 (a) California currently lacks an integrated, statewide 6 approach to electric transmission planning and permitting that 7 addresses the state's critical energy and environmental policy 8 goals and allows electric transmission projects to move 9 seamlessly from the planning phase into the permitting phase for 10 timely approval and construction of needed electric transmission 11 lines.
- 12 (b) Planning for and establishing a high-voltage electric 13 transmission system to accommodate the development of 14 renewable resources within the state, facilitate bulk power 15 transactions, ensure access to out-of-state regions that have

-3- SB 1059

surplus power available, and reliably and efficiently supply existing and projected load growth is vital to the future economic and social well-being of California.

- (c) To promote the efficient use of the existing transmission system, the state should do both of the following:
- (1) Encourage the use of existing rights-of-way, the expansion of existing rights-of-way, and the creation of new rights-of-way in that order.
- (2) Promote the efficient use of new rights-of-way, where needed, to improve system efficiency and the environmental performance of the transmission system.
- (d) The construction of new high-voltage electric transmission lines within new or existing corridors has become increasingly difficult and may impose financial hardships and adverse environmental impacts on the state and its residents. It is in the interest of the state, therefore, through the electricity transmission planning process, to accomplish all of the following:
- (1) Identify the long-term needs for electric transmission corridor zones within the state.
- (2) Work with stakeholders, appropriate federal, state, and local agencies, and the public to study transmission corridor zone alternatives and designate appropriate corridor zones for future use to ensure reliable and efficient delivery of electricity for California's residents.
- (3) Integrate transmission corridor zone planning at the state level with local planning so that designated corridor zones are reflected in local general and specific plans.
- (e) Orderly planning and development of needed high-voltage electric transmission lines through the designation of transmission corridor zones is an issue of statewide concern.
- SEC. 2 Chapter 4.3 (commencing with Section 25330) is added to Division 15 of the Public Resources Code, to read:

Chapter 4.3. Designation of Transmission Corridors

- 25330. For purposes of this chapter, the following terms have the following meanings:
 - (a) "Feasible" has the same meaning as in Section 21061.1.

SB 1059 —4—

1 2

(b) "High-voltage electric transmission line" means an electric transmission line with an operating capacity of at least 200 kilovolts, or that is under the operational control of the California Independent System Operator.

- (c) "Transmission corridor zone" means the geographic area necessary to accommodate the construction and operation of one or more high-voltage electric transmission lines, consistent with existing land uses and land uses identified in local general or specific plans, to the extent feasible.
- 25331. (a) The commission may designate a transmission corridor zone on its own motion or by application of a person who plans to construct a high-voltage electric transmission line within the state. The designation of a transmission corridor zone shall serve to identify a feasible corridor in which can be built a future high-voltage electric transmission line that is consistent with the state's needs and objectives as set forth in the strategic plan adopted pursuant to Section 25324.
- (b) A person planning to construct a high-voltage electric transmission line may submit to the commission an application to designate a proposed transmission corridor zone as being consistent with the strategic plan adopted pursuant to Section 25324. The application shall be in the form prescribed by the commission and shall be supported by any information that the commission may require.
- (c) The designation of a transmission corridor zone is subject to Division 13 (commencing with Section 21000) and the commission shall be the lead agency, as provided in Section 21165, for all transmission corridor zones proposed for designation pursuant to this chapter.
- 25332. (a) A transmission corridor zone designated as being consistent with the strategic plan adopted pursuant to Section 25324 shall be so identified in subsequent strategic plans and its designation reviewed at least every six years in the planning process for the strategic plan.
- (b) If, upon review, the commission finds a transmission corridor zone is no longer needed, the designation of that transmission corridor zone shall expire and the commission shall notify affected cities, counties, and state and federal agencies.
- 25333. (a) In developing a strategic plan pursuant to Section
 25324 or considering an application for designation pursuant to

-5- SB 1059

this chapter, the commission shall confer as needed, depending on the long-term needs for and possible location of a transmission corridor zone, with cities and counties, federal agencies and California Native American tribal governments to identify appropriate areas within their jurisdictions that may be suitable for a transmission corridor zone. The commission shall, to the extent feasible, coordinate efforts to identify long-term transmission needs of the state with the land use plans of cities and counties, federal agencies and California Native American tribal governments.

(b) The commission shall not designate a transmission corridor zone within the jurisdiction of a California Native American tribal government without the approval of the California Native American tribal government.

- 25334. (a) Upon receipt of an application or motion for designation of a transmission corridor zone, the commission shall arrange for the publication of a summary of the application in a newspaper of general circulation in each county in which the proposed transmission corridor zone would be located. The commission shall transmit a copy of the application for designation to all cities, counties, and state and federal agencies having an interest in the proposed transmission corridor zone.
- (b) The commission shall request affected cities, counties, state and federal agencies, the Independent System Operator, interested California Native American tribal governments, and members of the public to provide comments on the suitability of the proposed transmission corridor zone with respect to environmental, public health and safety, land use, economic, and transmission-system impacts or other factors on which they may have expertise. Upon receiving the commission's request for review of a proposed transmission corridor zone, a city or county may request a fee pursuant to Section 25538 to cover for the actual and added costs of this review.
- 25335. (a) Within 45 days of receipt of the application or motion for designation, the commission shall commence public informational hearings in the county or counties in which the proposed transmission corridor zone would be located.
- *(b)* The purpose of the hearings shall be to do all of the 39 following:

SB 1059 -6-

(1) Provide information about the proposed transmission corridor zone so that the public and interested agencies have a clear understanding of what is being proposed.

- (2) Explain the relationship of the proposed transmission corridor zone to the commission's strategic plan for the state's electric transmission grid, as set forth in the most recent integrated energy policy report adopted pursuant to Chapter 4 (commencing with Section 25300).
- (3) Receive initial comments about the proposed transmission corridor zone from the public and interested agencies.
- (4) Solicit information on reasonable alternatives to the proposed transmission corridor zone.
- 25336. (a) Within 155 days of the final informational hearing, the commission shall conduct a prehearing conference to determine the issues to be considered in hearings pursuant to this section, to identify the dates for the hearings, and to set forth filing dates for public comments and testimony from the parties and interested agencies. Within 15 days of the prehearing conference, the commission shall issue a hearing order setting forth the issues to be heard, the dates of the hearings, and the filing dates for comments and testimony.
- (b) The commission shall conduct hearings pursuant to the hearing order. The purpose of the hearings shall be to receive information upon which the commission can make findings and conclusions pursuant to Section 25337.
- 25337. After the conclusion of hearings conducted pursuant to Section 25336, and no later than 90 days after completion of the environmental impact report prepared pursuant to Section 25331, the commission shall issue a proposed decision that contains its findings and conclusions regarding all of the following matters:
- (a) Conformity of the proposed transmission corridor zone with the strategic plan adopted pursuant to Section 25324.
- (b) Suitability of the proposed transmission corridor zone with respect to environmental, public health and safety, land use, economic, and transmission-system impacts.
- (c) Any mitigation measures and alternatives as may be needed to protect environmental quality, public health and safety, the state's electric transmission grid, or any other relevant matter.

7 SB 1059

(d) Any other factors that the commission considers relevant.

25338. (a) As soon as practicable after the receipt of an application for designation pursuant to Section 25331, the commission shall inform cities, counties, state and federal agencies, and California Native American tribal governments in whose jurisdictions the proposed transmission corridor zone would be located about the proposed transmission corridor zone and the objectives of the most recent strategic plan for the state's electric transmission grid. The commission shall solicit information from and confer with all interested cities, counties, state and federal agencies, and California Native American tribal governments about their land use plans, existing land uses, and other factors in which they have expertise or interest with respect to a proposed transmission corridor zone. Interested cities, counties, state and federal agencies, and California Native American tribal governments shall be afforded ample opportunity to participate in the commission's review of a proposed transmission corridor zone.

- (b) Once the commission designates a transmission corridor zone pursuant to Section 25332, it shall send a copy of its decision, including a description of the transmission corridor zone, to each affected city, county, state and federal agency. Each city and county in which the designated transmission corridor zone is located may otherwise permit development within the designated transmission corridor with commission approval in accordance with local agency policy, giving full consideration to appropriate restrictions within, and adjacent to, the designated transmission corridor zone. Each city and county in which the designated transmission corridor zone is located shall integrate the designated transmission corridor zone into their respective general and specific plans during the next regular plan revision, but not later than five years following receipt of the commission's decision.
- SEC. 3. The Legislature finds and declares that Sections 65104 and 66014 of the Government Code provide local agencies with authority to levy fees sufficient to pay for the program or level of service mandated by this act.
- SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service

SB 1059 —8—

charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

 All matter omitted in this version of the bill appears in the bill as amended in the Senate, April 13, 2005 (JR11)